



Vermont Developmental Disabilities Council

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December 2, 2012

Jeb Spaulding, Secretary, VT Agency of Administration
Jim Reardon, Commissioner, Department of Finance

Re: Budget Forum Follow-up

Dear Secretary Spaulding and Commissioner Reardon:

Thank you for offering this historic opportunity to provide input following 32 V.S.A. Section 306a. It was great to see the packed rooms at both forums, although not all of us had an opportunity to speak.

I am specifically writing to follow-up on issues raised at the forum held on November 19, 2012.

Children's Personal Care Services. It appeared that the Agency of Administration was not aware of concerns about this key support for children. Eligibility has changed radically, with AHS estimating that about 1000 families – 50% of the total – will lose the service after review. Meanwhile, alternative supports have not been set up under the umbrella Integrated Family Services initiative as promised. There needs to be thorough analysis of needs in order for the State to develop an integrated budget to serve this population that includes children and youth with disabilities and their families.

Developmental Service System of Care. The Vermont Developmental Disabilities Act, 18 V.S.A. Section 8721, parallels 32 V.S.A. 306a, embedding public policy goals that recognize people's needs.

Specifically, it provides that each citizen with a developmental shall have the opportunity to

- ♦ live in a safe environment with respect and dignity
- ♦ live with family or a home of his or her own choice
- ♦ make choices which affect his or her life
- ♦ . . . be employed AND
- ♦ have access to community support and services"

To achieve this, the State is specifically required to write a System of Care Plan every 3 years. Development of that Plan parallels requirements in 32 V.S.A, the new law: 18 V.S.A. Section 8725 provides that the 3 year System of Care Plan shall be based on a comprehensive needs assessment that includes:

- ♦ Demographic information
- ♦ Unserved and underserved individuals & populations
- ♦ Reasons for gaps in services

Unfortunately, the System of Care Plan put into place for SFY2013 to 2015 did not include the required needs assessment. Most tellingly, Challenges for Change cuts of 1% in FY2010 and 2.5% in FY2011 to the budgets and services of people currently in the system were not analyzed, including the pressures these unmet needs would put on the system of care in future years. See attachment.

The lack of a thorough needs assessment is already having an impact on the current fiscal year, and will have an impact on maintaining a community based system of care for the coming fiscal year.

At the forum you heard about the announcement by the Department of Disabilities, Aging & Independent Living, at its November 15th State Standing Committee for Developmental Services Meeting, that new caseload funding has almost run out for the current fiscal year. Their proposal is to once again cut services for people currently in the system to meet new needs, rather than requesting budget adjustment. Since a high percentage of the developmental service caseload budget is spent on home provider supports that are fixed, deeper cuts would need to be made to currently provided services that help people living on their own or with their families participate in and contribute to the community, including job supports. DAIL does not plan to ask for Budget Adjustment funding.

Vermont has been justly proud of being a leader in moving people out of institutions and into inclusive community settings. Cutting the budgets of people who are currently in the system once again to pay for new demands will have the effect of dismantling our community-based system of care that the state of Vermont committed to and celebrated when Brandon Training School was closed 20 years ago.

Vermont's Developmental Disabilities Act and 32 V.S.A.306a require steps be taken NOW to assess needs and adjust FY13 new caseload funding accordingly to ensure that people currently in the system also have their needs met, especially after repeated cuts to their budgets and services .

We also ask that you require a full and complete needs assessment to build the Developmental Services budget for FY2014. That should include the factors that have put pressures on the system of care during the current fiscal year.

Complete and thorough needs assessment and adequate funding is critical for the State to live up to its promise in 3 V.S.A. 306a to ensure that

every person's need for health, housing, dignified work, education, food, social security, and a healthy environment . . . is recognized in spending and revenue policies.

VTDDC looks forward to working with you, and providing information to realize that goal.

Thank you for your consideration.

Sincerely,



Karen Schwartz, Executive Director, VTDDC

cc: Rep. Manwaring



WHAT WILL BE THE IMPACT OF AN \$8 MILLION BUDGET SHORTFALL ON PEOPLE WITH DEVELOPMENTAL SERVICES?

The Governor's Recommended FY2012 Budget would cut supports from people currently receiving services to meet the needs of about 200 new people ~ including high school graduates. The reductions equal 5.6%, and follow reductions of 3.75% in FY2009 and another 1% in July 2010. The system is already lean, and these cuts will change the system of care Vermonters value, based on what we know from what has already happened.

FACTS TO CONSIDER:

- *Vermont now serves only 27% of people who are eligible ~ 3545 of 13,145 people*
- *Vermont's waiting list has grown due to narrowing priorities for funding ~ now 209 people*
- *Cuts totaling \$6.5 Million have already eroded programs, staff, services and supports*
- *FY2009 & FY2010 cuts resulted in a loss of \$4 million in federal funds~ \$1.50 lost for every \$1 "saved"*
- *Regional agencies decided cuts, so what happened to people depended on where they live*

WHAT WE KNOW about the rollbacks:

- Agencies reduced **hundreds** of individual budgets and terminated over 150 staff
- People lost services that supported them to work and get paid
- People lost supports that helped them be part of the community
- People lost clinical supports that keep them out of crisis and help them communicate
- Fundamental changes have been made in the way we serve people that undermine community supports and self-determination:
 - *People were moved to "wrap" services provided by a single individual that isolates them and increases the potential for harm and abuse.*
 - *People were switched to group services that marginalize them within their communities.*

There are also hidden costs:

- Time and expenses to recruit and train staff necessitated by high staff turnover:
 - Loss of staff due to reductions in hours, benefits and cost-of-living increases.
 - Loss of shared home providers due to reduced stipends, loss of cost-of-living increases and reductions in respite.
 - Loss of families able to keep family members at home.
- Emergency room and inpatient care due to cuts in preventive services like clinical and behavioral support.
- Higher level and cost of care following a crisis to replace family or shared home provider services after critical supports like respite are cut.
- Taxes when people with developmental disabilities, family members and experienced staff lose or have to give up jobs.

THE OVERALL IMPACT IS SIGNIFICANT CHANGES IN HOW SERVICES ARE DELIVERED IN VERMONT THAT:

- **HURT INDIVIDUALS AND FAMILIES**
- **UNDERMINE VERMONT'S COMMUNITY BASED SYSTEM OF CARE**
- **ARE EXTREMELY DIFFICULT IF NOT IMPOSSIBLE TO REVERSE**

FY2009 & FY2010 Rescissions: What Happened?

Reducing budgets by \$6.5 million has already changed how services are delivered in Vermont.

(\$1.67 million in August 2008, \$3.3 million in December 2008, and \$1.5 million in July 2010.*)

IMPACT ON INDIVIDUALS with DEVELOPMENTAL DISABILITIES:

- All areas of service and supports to individuals were reduced, including:
 - ** Clinical supports
 - ** Employment supports
 - ** Respite services
 - ** Support services to access the community
 - ** Goods budgets that provided assistive technology, adaptive equipment, communication devices, and access to health & wellness activities
 - ** Transportation & mileage budgets, impacting jobs & community access
- Program quality diminished:
 - ** People moved from individual community supports to group supports
 - ** People moved to “wrap” services i.e. home provider is sole support person in all settings due to elimination of community support staff
- Programs eliminated:
 - ** Global campus initiative
 - ** Crisis bed & crisis emergency funding

STAFF IMPACT

- ** Staff position cuts included job developers & employment, community and residential direct support
- ** Staff hours cut, resulting in loss of benefits
- ** Staff changed to contracted services without benefits
- ** Caseload increases
- ** Reduction in payments to home care providers
- ** Elimination of cost-of-living adjustments to staff, respite & on-call providers

*There are few places left to cut. The 1% reduction in July 2010 resulted in 545 people losing direct services like job and community supports; 179 families and home providers lost respite supports; and 94 people lost clinical communication support. Net job loss was 61.5 FTE. The impact was uneven, with people losing direct services at 6 of 16 agencies ~ about 45% of the state's population. Depending on the agency, between 11% and 58% lost services; 91% of people who self & family managed lost services.

[Information on 2008 and 2010 rescissions was compiled from documents received from Division of Disability and Aging Services, Dept. of Disabilities, Aging, and Independent Living that collected information from agencies.]

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